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*Counsel for Keiran Hutchinson and Roy Bailey
of Ernst & Young Ltd., as the duly authorized
joint official liquidators and foreign representatives*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CALEDONIAN BANK LIMITED,

Debtor in a Foreign Proceeding.

Chapter 15

Case No. 15-10324 (MG)

STATUS REPORT

Keiran Hutchison of EY Cayman Ltd. and Roy Bailey of Ernst & Young Ltd., as the duly authorized joint official liquidators and foreign representatives (the “Liquidators”) of Caledonian Bank Limited (the “Debtor”) with respect to the winding up of the Debtor (the “Cayman Proceeding”) pending before the Grand Court of the Cayman Islands (the “Cayman Court”) as a foreign main proceeding pursuant to 11 U.S.C. § 1517, hereby make the following status report to this Court with respect to the Cayman Proceeding:

1. Since February 2018, the last time that the Liquidators appeared before this Court, the following significant events have transpired with respect to the Cayman Proceeding:

A. On 15 November 2018, the Cayman Court made an orders that Claire Loebell be released from the performance of any further duties as a joint official liquidator of the Debtor, and that Roy Bailey of Ernst & Young Ltd., Ritter House, Wickhams Cay 2, Road Town, Tortola, VG1110, British Virgin Islands, be appointed in her place as joint official liquidator of the Debtor with the power to act and be authorized to do any acts or things considered necessary or desirable in connection with the liquidation of the Debtor and the winding up of its affairs.

B. The Liquidators have realized assets including recovery of a loan receivable, the collection of annual deferred consideration payment related to the pre-liquidation sale of a Caledonian group business (“Group Business”), agreed and collected a settlement in respect of other receivables due from the Group Business and agreed and settled a claim against a third party.

C. The Liquidators have continued to comply with their statutory duties and specifically issued a report on the liquidation to all creditors and the Grand Court of the Cayman Islands and continued to report and liaise with creditors who sit on the Liquidation Committee (“LC”) regarding various matters. Since the commencement of the liquidation, the Liquidators have held numerous informal and 24 formal meetings of the LC with the last formal meeting held on 10 January 2019 and the last informal meeting held on 11 February 2019. The LC currently comprises of three members following resignations received by the Liquidators from two creditors on 31 July 2018 and 25 January 2019 respectively.

2. As at 27 May 2019, the Debtor has assets which remain to be collected, sold or otherwise monetized. These assets comprise loans receivable (the “Remaining Loans”) and

deferred consideration due from the pre-liquidation sale of a Caledonian group business (“Consideration”). The Liquidators also continue to give consideration to rights of action which may yield further recoveries to the estate.

3. One of the parties to the remaining loans has asserted counter claims against the Debtor. In respect of one of those counterclaims, such party has sought leave from the Grand Court of the Cayman Islands to commence proceedings against the Debtor. A decision on the question of leave has yet to be delivered by the Grant Court.

4. As regards the United States, at least one of the Remaining Loans is guaranteed by a corporation located in the United States and which has assets in the United States. The Debtor also acts as the custodian for certain securities owned by CSL which are held in accounts at Cortland Capital Market Services LLC in the United States. The Liquidators continue to evaluate possible litigation claims against various parties, including a party located within the United States.

5. As of 30 April 2019, the Debtor has net cash in the amount of approximately US\$15.9 million which balance includes cash set aside for declared dividends not yet paid pending receipt of depositor payment instructions and KYC information, cash set aside for accrued unpaid expenses and for future costs. The estate currently has reserves to deal with the remaining matters discussed herein. The Liquidators will continue to review the level of the reserves required and timing and quantum of further dividends that can be remitted to creditors. To date, the Liquidators have declared five dividends totaling 90 cents in the dollar and a priority dividend of 100 cents in the dollar for eligible creditors whose claims are less than CI\$20,000.

New York, New York
Dated: May 31, 2019

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